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No. 04-597

FILED
SEP 15 2005
OFFICE OF THE CLERK
SUPREME COURT, U.S.

In The

Supreme Court of the United States

UNITHERM FOOD SYSTEMS, INC.,

Petitioner,

v.

SWIFT-ECKRICH, INC., DOING BUSINESS AS CONAGRA REFRIGERATED FOODS,

Respondent.

On Writ Of Certiorari To The United States Court Of Appeals For The Federal Circuit

SUPPLEMENTAL BRIEF

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RULE 29.6 STATEMENT

The parent company of Respondent Swift-Eckrich, Inc., now doing business as ConAgra Refrigerated Foods Food Company ("ConAgra") is ConAgra Foods, Inc., which is a publicly traded company that owns more than 10% of ConAgra's stock.

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SUPPLEMENTAL BRIEF

Unitherm Food Systems, Inc. v. Swift-Eckrich, Inc.

Respondent, Swift-Eckrich, Inc. (referred to in these proceedings as "ConAgra") submits this supplemental brief under this Court's Rule 25(5). Oral argument is set for November 2, 2005.

The limited purpose of this brief is to ask this Court, at the conclusion of its review, to remand the case to the United States Court of Appeals for the Federal Circuit for reconsideration in view of a change in Federal Circuit law that is crucial to the substantive issues in the case. The issue as to which ConAgra will seek reconsideration on remand is not pertinent to the procedural question for which certiorari has been granted, but is potentially dispositive of this case as to all causes of action. Accordingly, ConAgra asks that the case be remanded without entering a final judgment, **regardless of this Court's ruling on the questions before it**.

As in most patent-related cases, the construction of the patent claims – a matter of law – is potentially dispositive here. *Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 391 (1996). Claim construction was essential to the determination that there was fraud on the Patent Office. This determination, in turn, was essential to the verdicts on both the antitrust and interference with prospective economic advantage verdicts.

The new authority that necessitates this brief, *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005) (*en banc*), was decided on July 12, 2005, just three days before ConAgra filed its brief in this Court. ConAgra inserted a short footnote 5 referencing *Phillips*, but had no time to do more before the brief went to the printer. (Resp. Brief 6.)

Prior to *Phillips*, a line of Federal Circuit cases had diverged from long-established precedent and greatly restricted reliance on the patent specification when construing claims, essentially limiting resort to the specification to those patents in which the meaning of a claim term was **explicitly** set forth in a formal definition. These cases prohibited reliance on the specification when the meaning of the claims could be derived only from the way a term was used or other relevant statements in the specification. This "dictionary first" approach to claim construction had reached its zenith in *Tex. Digital Sys., Inc. v. Telegenix, Inc.*, 308 F.3d 1193, 1204 (Fed. Cir. 2002).

In this case, the Federal Circuit quoted extensively from *Texas Digital* and rigidly followed its "dictionary first" approach, thus affirming the district court's claim construction without reference to the patent specification. *Unitherm Food Sys., Inc. v. Swift-Eckrich, Inc.*, 375 F.3d 1341, 1352 (Fed. Cir. 2004). It held that there was a "presumption" in favor of the plain meaning of the crucial claim term "golden brown," which was equated with a dictionary definition. *Id.* at 1351. It further held that to overcome this presumption:

> ConAgra must demonstrate that the intrinsic evidence provides both a clear and explicit disclaimer of the plain meaning and substitutes a more specific, technical construction of "golden brown." *See Tex. Digital*, 308 F.3d at 1203. ConAgra's suggestion that we glean numeric ranges from examples [in the specification] represents neither clear nor **explicit** disavowal of the common meaning.

Id. (emphasis added).

Based on an extremely broad claim construction arrived at in this way, the Federal Circuit compared the claim scope to the prior art and held as follows:

> The first element of the alleged fraud was ConAgra's relevant material representation to the PTO that Prem Singh **invented the claimed process**, and that he neither used it in public nor offered it for sale prior to May 11, 1997.
>
> * * *
>
> David Howard invented the **process claimed by the '027 Patent** no later than 1993, and both used it and sold it numerous times prior to the critical date – thereby rendering the '027 Patent invalid under §102(b).

Id. at 1359 (emphasis added).

Not only was ConAgra's patent held invalid, but the Federal Circuit also extended the *Texas Digital* claim construction methodology beyond issues of patent validity and infringement to find fraud on the Patent Office. *Id.* Specifically, it found ConAgra intentionally claimed the prior art without considering that the patent specification acknowledges that the process attributed to David Howard was part of the prior art. *Id.* at 1359-1363.

ConAgra petitioned for rehearing, arguing that "the decision in this case should be reconsidered **after and in light of the [then upcoming] en banc decision in *Phillips*.**" (Pet. for Reh'g 8) (emphasis added). The Federal Circuit denied the petition and this Court then granted certiorari on a different issue.

Thereafter, the Federal Circuit reconsidered *Phillips en banc* and rejected the claim construction rules of *Texas Digital*:

> Although the concern expressed by the court in *Texas Digital* was valid, the methodology it adopted placed too much reliance on extrinsic sources such as dictionaries, treatises, and encyclopedias and too little on intrinsic sources, in particular the specification and prosecution history. While the court noted that the specification must be consulted in every case, it suggested a methodology for claim interpretation in which the specification should be consulted only after a determination is made, whether based on a dictionary, treatise, or other source, as to the ordinary meaning or meanings of the claim term in dispute. Even then, recourse to the specification is limited to determining whether the specification excludes one of the meanings derived from the dictionary, whether the presumption in favor of the dictionary definition of the claim term has been overcome by "an explicit definition of the term different from its ordinary meaning," or whether the inventor "has disavowed or disclaimed scope of coverage, by using words or expressions of manifest exclusion or restriction, representing a clear disavowal of claim scope." 308 F.3d at 1204. In effect, the *Texas Digital* approach limits the role of the specification in claim construction to serving as a check on the dictionary meaning of a claim term if the specification requires the court to conclude that fewer than all the dictionary definitions apply, or if the specification contains a sufficiently specific alternative definition or disavowal. *See, e.g. Texas Digital*, 308 F.3d at 1202 ("unless compelled otherwise, a court will give a claim term the full range of its

> ordinary meaning") (other citations omitted). **That approach, in our view, improperly restricts the role of the specification in claim construction**. (Emphasis added.)
>
> * * *
>
> Although the *Texas Digital* line of cases permit the dictionary definition to be narrowed in some circumstances even when there is not an explicit disclaimer or redefinition in the specification, too often that line of cases has been improperly relied upon to condone the adoption of a dictionary definition entirely divorced from the context of the written description. The problem is that if the district court starts with the broad dictionary definition in every case and fails to fully appreciate how the specification **implicitly limits** that definition, the error will systematically cause the construction of the claim to be unduly expansive.

Phillips, 415 F.3d at 1320-21 (emphasis added).

If the Federal Circuit had used the claim construction approach of *Phillips en banc*, and not that of *Texas Digital*, the outcome of this case would have been different in two ways. First, the claims in the patent could not have been interpreted to cover a process that ConAgra acknowledged in the specification was part of the prior art. Second, the dictionary definition of the claim limitation "golden brown" could not have been adopted without considering the numerically defined examples in the specification.

We note that if ConAgra had not made any motion under Fed. R. Civ. P. 50(a) or (b), thus eliminating the issue now before this Court, that would not have affected ConAgra's appeal of the finding of fraud, which was based on an overbroad, dictionary-first claim construction. In

other words, if the claim construction were changed as a matter of law, the Rule 50 issues could be mooted.

If this Court affirms the Federal Circuit's decision, that result literally requires remand to the district court for further proceedings, which would leave the district court to grapple with the effect of *Phillips* on those proceedings. On the other hand, if this Court reverses, then the case should be remanded for consideration of plain error, a task best performed by the court of appeals. If this Court upholds sufficiency of the evidence review and rules that the court of appeals should have directed entry of judgment for ConAgra on the antitrust claim, that would still leave the $4,000,000 interference judgment standing although it rests on a claim construction that is erroneous as a matter of law. The solution to all these problems is to remand the case to the Federal Circuit to consider how the recent change of law affects this case.

It may be argued that the prior Federal Circuit claim construction is now the law of the case and should not, therefore, be revisited. However, the law of the case does not control in the face of a change in the applicable law. *Davis v. United States*, 417 U.S. 333, 342 (1974). In *Litton Sys. v. Honeywell, Inc.*, 238 F.3d 1376 (Fed. Cir. 2001), the Federal Circuit held that a subsequent change in the law compelled a conclusion that the patentee's reliance on the doctrine of equivalents was **not** permissible and there was, therefore, no infringement, despite an earlier decision to the contrary in the same case. As for the law of the case, the Federal Circuit said, "[w]e are aware of no decision of this court that has applied the law of the case in the face of a relevant change in controlling legal authority." *Id.* at 1380; *see also Grigsby v. Barnhart*, 294 F.3d 1215, 1219

(10th Cir. 2002) (a contrary decision of applicable law creates an exception to law of the case doctrine).

CONCLUSION

Whatever this Court's decision on the Rule 50 issue before it, this case should be remanded to the Federal Circuit for further reconsideration in light of the intervening change in controlling authority.

Respectfully submitted,

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